SHRI P. CHIDAMBARAM: Sir, the Loan Agreement for Andhra Pradesh was signed on February 8, 2007 and became effective on February 23, 2007. The Andhra Pradesh Goverment is very happy about the terms of the Loan Agreement. They have not asked for any relaxation in either guidelines or the terms of the Loan Agreement. We have just signed it a few days ago. It has already became effective.

DR. K. MALAISAMY: Thank you, Mr. Chairman, Sir. The Minister has given the revised guidelines for Structural Adjustment Loan. After having issued the guidelines as early as on 2005, we have seen how it is working. I would like to know whether you have got any feedback that things have been improved. In other words, I will put it this way, whether the guidelines issued have been very effective and adequate. If not, what are you going to do?

SHRI P. CHIDAMBARAM: Sir, these guideline are for States which seek Structural Adjustment Loans. So far Andhra Pradesh has availed of three Structural Adjustment Loans, Karnataka has availed of two Structural Adjustment Loans, Uttar Pradesh has availed of one Structural Adjustment Loans and Orissa has availed of two Structural Adjustment Loans. In the pipeline, we have requests from Himachal Pradesh and Bihar. As far as Government of India's position is concerned, these guidelines are sound guidelines. Based on these, States have asked and obtained Structural Adjustment Loans. And, the two States whose cases are being considered, Himachal Pradesh and Bihar, have also not pointed out any difficulties in adhering to these guidelines. I think, these guidelines, issued as recently as October, 2005, are basically sound. Let us see how they work before we revisit them.

*103. [The questioner (Shri M. V. Mysura Reddy) was absent. For answer *vide* Page 28—30

उपभोक्ता मूल्य सूचकांक की दर

†*104. डा. मुरली मनोहर जोशी:††
श्री राम जेठमलानी:

क्या वित्त मंत्री यह बताने की कृपा करेंगे कि:

(क) क्या सरकार का ध्यान श्रम और रोजगार मंत्रालय द्वारा प्रकाशित देश के कृषि एवं

†Original notice of the question was received in Hindi.
††The question was actually asked on the floor of the House by Dr. Murli Manohar Joshi.

ग्रामीण श्रमिकों के संबंध में दिसम्बर, 2006 की रिपोर्ट में दर्शाए गए उपभोक्ता मूल्य सूचकांक दर (सीपीआई) की ओर गया है;

(ख) यदि हां, तो क्या यह सच है कि इस सूचकांक की दर क्रमश: 8.94 प्रतिशत और 8.31 प्रतिशत है।;

(ग) यदि हां, तो तत्संबंधी ब्यौरा है; और

(घ) इस दर के इतना अधिक होने के क्या कारण हैं?

वित्त मंत्री (श्री पी॰ चिदम्बरम): (क) स (घ) विवरण सभा पटल पर रख दिया गया है।

विवरण

(क) से (ग) महोदय, दिसम्बर, 2006 के दौरान कृषि श्रमिकों हेतु उपभोक्ता मूल्य सूचकांक (सीपीआई-एएल) और ग्रामीण श्रमिकों हेतु उपभोक्ता मूल्य सूचकांक (सीपीआई-आर एल) आधारित मुद्रास्फीति दर क्रमश 8.94 और 8.31 प्रतिशत थीं।

(घ) इस दर में हुई यह वृद्धि, मुख्यत: ऐसी खाद्य वस्तुओं की मुद्रस्फीति की ऊंची दर के कारण थी जिनका इन सूचकांकों के वस्तु समूह में काफी भारांश होता है।

Rate of Consumer price index

†104. DR. MURLI MANOHAR JOSHI:††
SHRI RAM JETHMALANI:

Will the Minister of FINANCE be pleased to state:

(a) whether Government have taken notice of the rate of Consumer Price Index (CPI) as reflected in the December, 2006 report on agriculture and rural labourers of the country published by the Ministry of Labour;

(b) if so, whether it is a fact that the Index rate is 8.94 per cent and 8.31 per cent respectively;

(c) if so, the details thereof; and

(d) the reasons for the rate being so high?

†Original notice of the question was received in Hindi.
††The question was actually asked on the floor of the House by Dr. Murli Manohar Joshi.

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) to (d) A Statement is placed on the Table of the House.

Statement

(a) to (c) Sir, the Consumer Price Index (CPI) based inflation rate for the Agricultural Labourers (CPI-AL) and Rural Labourers (CPI-RL) for the month of December, 2006 was 8.94 per cent and 8.31 per cent, respectively.

(d) the increase in the rate of primarily due to a high rate of inflation of food articles which has a substantial weightage in the commodity basket of these indices.

डा॰ मुरली मनोहर जोशी: सभापति महोदय, इस उत्तर से यह स्पष्ट है कि ग्रामीण श्रमिक और कृषि श्रमिक महंगाई की मार से सर्वाधिक पीड़ित हैं, क्योंकि इन क्षेत्रों में कंज्यूमर प्राइस इन्डेक्स रुरल श्रमिक के लिए 8.33 सरकार ने स्वीकार किया है और जो कृषि श्रमिक है, उनके लिए 8.94 इंडेक्स सरकार ने स्वीकार किया है। इसका अर्थ यह है कि यह क्षेत्र सबसे अधिक महंगाई की मार से पीड़ित है और ये सबसे अधिक गरीब भी हैं। सभापति महोदय, इसमें पहला सवाल तो यह उठता है कि इनको बचाने के लिए सरकार क्या कर रही है, अभी तक तो कुछ नहीं किया है? दूसरी बात जो सामने आती है, वह सरकारी आंकड़ों के बारे में आती है कि वे कितने सही हैं। क्योंकि हमने पिछले दिनों में यह देखा है कि जो आंकड़े दिए गए, उसने अक्टूबर 2006 में 5.41 के आंकड़े दिए थे और उस समय यह कहा था कि ये फाइनल नहीं है, लेकिन जो फाइनली आंकड़े आए थे, वे 5.61 के आए थे, जबकि दिसम्बर 2006 में कहा था कि मैक्सिमम 5.5 हैं और इन्फ्लेशन का इंडेक्स 5.5 है। लेकिन यह तो अक्तूबर में ही 5.61 हो गया था। यह क्या बात है कि सरकार प्रोविज़लन कुछ बोलती है, फाइनल कुछ आते हैं और रिज़र्व बैंक कुछ और बोलता है? कम से कम आपके आंकड़े तो ठीक होने चाहिए और जनता को मालूम तो होना चाहिए कि वास्तविक इन्फ्लेशन की दर किस क्षेत्र में कितनी है और किसको कितनी महंगाई की मार पिंच कर रही है। मैं आपसे पहली बात यह जानना चाहता हूं कि आंकड़ों में इतनी डिसपैरिटीज़ क्यों हैं, गैप्स क्यों हैं और दूसरा यह कि जो सबसे ज्यादा महंगाई से पीड़ित हैं ग्रामीण श्रमिक और कृषि श्रमिक, 8.33 और 8.94 इनको बचाने के लिए आप क्या कर रहे हैं, क्या उपाय ले रहे हैं और आज इनकी हालत क्या है?

SHRI P. CHIDAMBARAM: Sir, as far as figures are concerned, these figures are released from time to time, weekly, by the Central Statistical Organisation. I have no reason to doubt the figures. It was the same organisation, the method of collecting data is same, and the method of calculating the indices is same, which ahs been there for many years,

through the period of this Government, through the period of the previous Government as well as the period of the previous Governments. Therefore, I have no reason to doubt the correctness of the figures. Provisional figures are released and then after a period of about five or six weeks, the provisional figures are updated. This has been the practice for many years.

As far as the inflation rate is concerned, the headline inflation is measured by the WPI. But there are three other indices. The Consumer Price Index for industrial workers, the Consumer Price Index for UNME, and the Consumer Price Index for rural labour. Becuase the weightage for primary articles is higher in the CPI for agricultural labour and the CPI for rural labour, the index for CPI (AL) and CPI (RL) is indeed higher than the WPI. The WPI is a different basket of goods and services. CPI (AL) and CPI (RL) are different baskets. The weightage for primary commodities is much higher in the CPI (AL) and the CPI (RL), as it should be, because most agricultural labour and rural labour will consume a larger proportion of what are called wage goods. These are primary articles and, therefore, the index is higher. There is, of course, a burden upon the agricultural labour and the rural labour—a burden that we are trying to mitigate by a number of steps. The hon. Member wanted to know the steps we have taken. We have taken steps on the fiscal side; we have cut customs duties. We have taken steps on the monetary side. The RBI has taken a number of measures to contain demand by increasing the CRR four times and by increasing the repo rate four times. And we have taken a number of steps from the supply side to augment supplies. As long as there is a supply-demand mismatch--and this mismatch cotninues to be there in wheat and pulses, and sugar seems to have overcome the problem--there is an impact on the inflation. But we will continue to take fiscal, monetary, and supply side steps to moderate inflation.

डा॰ मुरली मनोहर जोशी: श्रीमन्, जुलाई 2006 में वित्त मंत्री ने यह कहा था कि यह जो महंगाई बढ़ रही है, एक तो क्रूड की जो अंतर्राष्ट्रीय कीमतें हैं, उनकी वजह से बड़ा भारी दबाव है क्योंकि ये कीमतें 78-79 डॉलर्स तक चली गयी थीं। इसके अतिरिक्त यह कहा था कि शॉर्टेज ऑफ फूडग्रेन्स हैं इसलिए यह हो रहा है। हमने देखा कि जनवरी में क्रूड प्राइस 78 डॉलर्स से घटकर 49 डॉलर्स आ गया। जहां तक फूड का सवाल है, 6.2 मिलियन टन्स गेहूं आपने उस समय तक इम्पोर्ट कर लिया था, लेकिन इनफ्लेशन रेट तब भी 6.73, 6.75 पर मौजूद था। एक तो यह कि जो आपका शुरु में, जुलाई 2006 में सिद्धान्त था, वह गलत हो गया। दूसरा यह कि अब सरकार कहती है कि हमारे पास

कोई जादू की छड़ी नहीं है, जिससे हम महंगाई को दूर कर लें। फिर प्रधानमंत्री जी कहते हैं कि एप्रोप्रिएट पॉलिसी मेज़र्स लिए जाएंगे, तब यह दूर होगी। आप कहते हैं कि स्टेट गवर्नमेंट्स इस पर काम करें, तब यह दूर होगी। हम जानना चाहते हैं कि कुल मिलाकर आपके क्या स्टेप्स हैं? जादू की छड़ी नहीं है तो कोई डंडा तो होगा जो चल सकता है।

श्री सभापति: आप डंडा बता दीजिए।

डा॰ मुरली मनोहर जोशी: वह तो बताइए, आप क्या चला रहे हैं? आप अपनी सरकार पर क्या चला रहे हैं, क्या कर रहे हैं? कुछ बताइए कि आपकी असल में नीति क्या है? हम कनफ्यूज्ड हैं, जनता कनफ्यूज्ड है कि फूड प्राइस घट गया, अनाज आ गया, फसल आने वाली है। आपके दोनों कारण खत्म हो गये हैं।

श्री सभापति: मंत्री महोदय का जवाब सुन लीजिए, डंडा क्या है, वे बता देंगे।

डा॰ मुरली मनोहर जोशी: वे बता देंगे, लेकिन ज़रा मैं बता तो दूं उन्हें कि लगाना कहां है डंडा! यह तो बता दूं उन्हें।

श्री सभापति: वह जगह आप बता देना।

डा॰ मुरली मनोहर जोशी: मैं वही तो बता रहा हूं उन्हें। तो मैं यह जानना चाहता हूं कि आपकी सरकार की इस मामले में कोई ऐसी पॉलिसी है या नहीं, इंटिग्रेटेड पॉलिसी, होलिस्टिक पॉलिसी, जो इन सब चीज़ों को कवर करे और देश को बताए कि आप क्या करेंगे।

श्री सभापति: आप बोलने दीजिए मंत्री जी को। ...(व्यवधान)...

डा॰ मुरली मनोहर जोशी: सर, हमें भी बोलने दिया कीजिए कभी-कभी।

श्री सभापति: आप तो बोल रहे हैं। ...(व्यवधान)...

डा॰ मुरली मनोहर जोशी: हां, बोल रहे हैं, तो हम जनता की आवाज़ उठा रहे हैं।

श्री सभापति: जनता की आवाज़ तो सभी उठा रहे हैं। ...(व्यवधान)...

डा॰ मुरली मनोहर जोशी: केवल सरकार की आवाज़ ही आप सुनाना चाहते हैं, यह तो ठीक नहीं है। ...यह तो ठीक नहीं है।

श्री सभापति: नहीं,नहीं, आपकी आवाज़ भी सुना रहे हैं।

SHRI P. CHIDAMBARAM: Sir, it is true that crude prices have declined from a high of about 75 dollars to about 60 dollars. This morning, it was

60 dollars and 20 cents. There has been a decline in crude prices. But, other metal prices in the world have flared up very, very sharply. All other commodity prices are very, very high internationally and that is impacting upon commodity prices within India also.

These metals are traded internationally. Therefore, while there is some relief as a result of crude price decline, there is some burden as a result of metal price hike. As I said, Sir, in my earlier answer, there are only three sets of measures one can taken to moderate prices. Inflation has spurted in the past and it has been moderated. Inflation has spurted now in the last 4-5 months and the measures that we take will moderate inflation. The measures are fiscal measures, monetary measures and supply side measures. On the supply side, there are no short-term answers. Wheat production has stagnated between 69 and 72 million tonnes. Rice production has stagnated between 89 and about 92 or 93 million tonnes. Pulses production has never crossed 14 to 14-1/2 million tonnes whereas the demand is close to 16 million tonnes. In the long run, the only way that we can reduce the supply-demand mismatch is by augmenting production and productivity. Output of foodgrains and output of essential commodities must increase and, therefore, we are taking measures on the fiscal side. The Central Bank, that is, RBI, is taking measures on the monetary side and we will continue to take measures on the supply side both by augmenting domestic production and wherever possible and wherever necessary, by augmenting supplies through imports.

डा॰ मुरली मनोहर जोशी: सर, एक मिनट ...(व्यवधान)... Just a minute ...(*Interruptions*)... मिनिस्टर बताते हैं कि इंटरनैशनल प्राइसेज बहुत से metals के बढ़ गए हैं। कुछ metals तो ऐसे हैं, जिनका असर इस 8.94, 8.33 वाले सेक्टर पर नहीं पड़ता। वहां गोल्ड प्राइस कितना हो जाए, एग्रीकल्चर लेबर और रुरल लेबर, जो एग्रीकल्चर में लगा हुआ है, उस पर सोने के दाम का असर नहीं पड़ता, अल्युमिनियम के दाम का असर नहीं पड़ता। दूसरा यह कि आपके टोटल प्राइस राइज़ में इन metals का असर कितना है, यह आप बताते नहीं हैं and you just continue to confure the whole issue ...(*Interruptions*)... और तीसरा यह कि आपने अभी जो बजट दिया है, उसमें एग्रीकल्चर के प्रोडक्शन को बढ़ाने के लिए किया क्या है, यह ज़रा बताएं तो। ...(व्यवधान)...

श्री सभापति: ठीक है ...ठीक है, श्रीमती वृंदा कारत, पूछिए।

SHRIMATI BRINDA KARAT: Thank you, Sir. Sir, I am afraid, the Finance

Minister's lengthy reply to the question raised by the hon. Member actually conceals more than it reveals. When you say that production is stagnating, then, at least, the huge gaps which were there in the supply side cannot be explained because it is stagnating. If it comes down very much, then you can say. So, when it is stagnating, at least, the *status quo* should have been kept. The huge gaps which are there obviously are because of the gross mismatch of the food economy. Anyway, that is just a comment I had to make because of his reply, which is most unsatisfactory. But, Sir, as far as, the CPI is concerned, there is a great concern that even though they do reflect such a hugh increase, it is not actually capturing the actual increase because of manipulations in the figures. And pointing out these manipulations, Sir, which is really a kind of huge pick-pocketing exercise of the pockets of the poor, the trade unions of this country met the Prime Minister. I think, they met the Finance Minister also and ...(*Interruptions*)...

MR, CHAIRMAN: Please come to your question ...(*Interruptions*)...

SHRIMATI BRINDA KARAT: Be a little patient ...(*Interruptions*)... And they had raised this point before the Prime Minister that the CPI has to be changed, and the Prime Minister had given a categorical assurance that a Review Committee is going to be formed which would include the representatives of trade unions and agricultural workers unions. So, the question is. ...(*Interruptions*)... Sir, this kind of impatience on the side of the Treasury Benches is not good. We are all concerned about the price rise. Is it not?

MR. CHAIRMAN: You come to your question.

SHRIMATI BRINDA KARAT: Yes, Sir. You must understand that the wages of agricultural workers are not linked to the CPI as yet. So, the point is, has such a committee been formed? If it has been formed, are thee representatives of workers on that committee? What is the time frame to review what we consider faulty CPI and does the Finance Minister have any plans to link the wages of the agricultural workers with the Consumer Price Index?

SHRI P. CHIDAMBARAM: Sir, while I share the concern of the hon. Member, obviously, I am not aware of what transpired between the Prime Minister and the delegation that met the Prime Minister. But, if the Prime Minister has given an assurance to the delegation that he will appoint a

Review Committee, I am sure, instructions ought to have been issued to appoint an advisory committee or a review committee. The subject of statistics falls under another Ministry. I shall certainly pass on the sentiments of the hon. Member to the Prime Minister and find out whether a review committee has been apointed. If a review committee has been appointed, we will disclose to the House its composition.

SHRIMATI BRINDA KARAT: What about the linking of the wages of the agricultural workers with the CPI?

श्री शरद यादव: सभापति जी, मैं ख़जाना मंत्री जी से एक सवाल, जिसका इस सरकार से सीधा संबंध है, वास्ता है, पूछना चाहता हूं कि आपके बजट भाषण में जो खाद्यान्न सुरक्षा है, उस पर आपका कोई बयान नहीं आया है। सभापति जी, मैं मानता हूं कि इस देश में जो महंगाई है, उसमें तेल का कारण हैं अगर सबसे बड़ा कोई कारण है तो इस देश की जो खाद्य सुरक्षा थी, जिसे हर सरकार ने ठीक और दुरुस्त रखा, उस खाद्य सुरक्षा में आपने प्रॉक्योरमेंट को भी प्राइवेट लोगों को दे दिया है। जो पीडीएस है, इसमें लाखों टन अनाज जाता है। जो दो करोड़ लोग हैं, उनको दो रुपए किलो गेहूं और तीन रुपए किलो चावल मिलता है। माननीय जोशी जी ने जो सवाल पूछा है, उसमें बड़ी भारी राहत है। मैं आपके माध्यम से मंत्री जी से कहना चाहता हूं कि महंगाई के ऊपर आपके पास कोई जादू की छड़ी है। आप खाद्यान्न सुरक्षा के मामले में पुरानी स्थिति को वापस लाइए। पीडीएस में गरीबों के नाम पर जो लाखों टन अनाज देश के अंदर जा रहा है, वह उनके पास कैसे पहुंचे, यदि इसके लिए मुख्यमंत्रियों की बैठक बुलाकर इसे कसने का काम करें तो महंगाई को काबू में करने का जरूर कोई रास्ता निकलेगा। मैं आपसे यह पूछना चाहता हूं कि आप इस काम को करेंगे या नहीं करेंगे? महंगाई की सबसे बड़ी जादू की छड़ी यह है कि आप पुरानी पॉलिसी, जो हर सरकार ने बनाई थी उसके फिर से रिवाइज करें। मैं यह पूछना चाहता हूं कि यह जो बाजा बाजीर है, इसके चलते जो महंगाई है, इसकी सीबीआई इंक्वारी कराने का काम आप करेंगे या नहीं करेंगे? इसमें किसने घपला किया है और किन लोगों ने इस महंगाई को बढ़ाने का काम किया है ताकि आने वाले समय में महंगाई पर काबू पाया जा सके।

SHRI P. CHIDAMBARAM: Sir, as I said, the Budget can only address the causes that will augment production and productivity, and in my view, there are 5 factors which can influence favourably production and productivity. These are water, seeds, fertilizer, power and credit. The Budget has addressed these 5 factors which will influence production in the long run..... *(Interruptions)*..... Serveral programmes have been announced in the Budget Speech that will address issues of credit, water, seeds, fertilizer and power. Now, obviously, some of them will work in the medium term,

some of them will work in the long term. The question that was asked was, why is there supply and demand mismatch? What are we doing about it and how does the PDS related to it? There is stagnation in the production of essential items like wheat, paddy and pulses, most importantly pulses. In sugarcane, we have one good year and one poor year. This year is a bumper year, as a result of which sugarcane production has crossed all expectations, but sugar prices have declined. Be that as it may, per capita income is rising; not uniformly, throughout all sections of the people; but the per capita income of the country is rising. Demand is rising; consumption patters are changing; people are, quite rightly, moving over the cereals and are dependent less on coarse grains. All that is part of the increase in the per capita income of the people, and, therefore, shortages emerge from time to time. This is not the first time when shortages have emerged. I have repeatedly pointed out, say for example, in 2000-2001, in 48 out of 52 weeks, the WPI inflation was over six per cent; in 22 of those weeks, it was over seven per cent; in 12 of those weeks, it was over eight per cent. Then, the Government of the day moderated inflation over a period of twelve to eighteen months. Our inflation, today, is high, not as high as in 2000-2001. In fact, in 2004, we had high inflation. We moderated in about eight months. Inflation, now, has touched 6.5. Last week, it was reported at 6.05. I am confident that inflation will moderate. When the wheat crop comes in, inflation will moderate. There are seasonal factors; there are structural factors. These factors are being addressed. Now, what is the role of PDS? PDS is extremely important. Last year, because of poor procurement of wheat, we could not supply adequate wheat, but we supplied equivalent amount of rice. This year, we hope that the procurement will be successful; we will be able to supply adequate amount of wheat and rice. Sugar, of course is available through the PDS. More than that, a decision has been taken which was announced in the Budget Speech, that the entire PDS system will be computerised, and that the Management Information System to manage the stock procurement and the stock distribution of the FCI will be put in place in 2007-08. these steps, I believe, will help moderate prices where PDS has an important role to play in moderating prices. Where the PDS works, prices moderate quickly. In States where the PDS either is disfunctional or does not work, then price moderation takes a longer time. For example, PDS works in Kerala; PDS works in Tamil Nadu .....(*Interruptions*)....

श्री शरद यादव: मैं आपसे ...(व्यवधान)...

SHRI P. CHIDAMBARAM: Just one moment ...(*Interruptions*)... One moment ...(*Interruptions*)... I will finish and, then, I will put on this. ...(*Interruptions*)...Just one moment ...(*Interruptions*)...One minute.

In States where PDS works, it helps moderate quickly. In States where the PDS is dysfunctional, it does not work as effectively as it should.

श्री शरद यादव: मैं आपसे निवेदन करना चाहता हूं कि यह मैं केवल आपसे नहीं कह रहा हूं, बल्कि पूरी सरकार से कह रहा हूं कि PDS के ऊपर जब तक आप Chief Ministers' Conference नहीं बुलाएंगे, तो जहां PDS की स्थिति खराब है, जहां PDS disrupt हो गया है, उसे आपको ठीक करना चाहिए, यह स्थिति आपके हाथ में हैं। मैं नहीं मानता कि महंगाई को आप पूरी तरह से घटा देंगे, लेकिन इसके चलते बहुत बड़ी राहत हिंदुस्तान के गरीबों को मिल जाएगी, जिसके बारे में जोशी जी ने और वृंदा कारत जी ने पूछा है। मैं सरकार के जरिए, आपसे यह पूछना चाहता हूं कि आप इस भावना को प्रधानमंत्री जी को बताएंगे या नहीं और तत्काल PDS के लिए Chief Ministers की बैठक बुलाएंगे या नहीं?

SHRI TAPAN KUMAR SEN: Sir, he should talk about private procurement also.

SHRI P. CHIDAMBARAM: Sir, certainly, I shall pass on the suggestion to the hon. Prime Minister as well as to the Minister of Agriculture, and I shall convey to them that it is the wish of the Members that a meeting of the Chief Ministers should be called to discuss the issue of PDS.

SHRI SANTOSH BAGRODIA: Sir, the hon. Finance Minister has done a lot for agriculture in this Budget; there is no doubt about that. But the point that he has mentioned many times is about pulses. It is true that the price of any commodity is dependent on its supply and demand. I am asking a very pointed question. Is it true that 40,000 tonnes of pulses have been exported from India this year? If those have been entirely exported, who is responsible for that? I am not talking about the Ministry of Commerce. But the Finance Ministry is definitely responsible because in the case of exports there must be some customs officers who are involved in it. If those have been exported against the law—I am told that those were not allowed to be exported—what action is the Finance Minister taking against the individuals who have in collusion with the officials exported them to create an artificial price rise in this country? Similarly, there is 60 per cent

duty still on edible oils and the availability of edible oils is a big problem in the country. The prices of edible oils have gone by 50-60 per cent. He has already reduced the duties by 10-15 per cent. Does it demand more reduction?

SHRI P. CHIDAMBARAM: Sir, the second question squarely arises from the main question. We have reduced customs duties on edible oils. We have removed the additional CVD on both crude and refined edible oils. We have reduced the customs duty on sunflower oil by about 15 percentage points. But only this morning another hon. Member of Parliament met me and said, "If you reduce the customs duties so steeply, it will affect the domestic producer of edible oil seeds." The Government has to walk this fine line between protecting the interests of the consumer by reducing customs duties because these oils are imported, a substantial quantity is imported, and protecting the interests of the farmer whose price expectations are also quite high. I think we have walked the fine line and we have reduced the customs duties to the extent that it will not only moderate prices but it will not affect the farmer also. One has to walk this line between the farmer and the consumer.

Sir, the first question frankly does not arise from the main question. ...*(Interruptions)*...

SHRI SANTOSH BAGRODIA: You have just mentioned it three times.

SHRI P. CHIDAMBARAM: I am answering.

MR. CHAIRMAN: Let him finish.

SHRI SANTOSH BAGRODIA: It does arise.

SHRI P. CHIDAMBARAM: Just a minute. The question is: Is there a complaint about illegal export of pulses? That does not arise from a question on prices. But let me say that a complaint against three exporters of allegedly back-dating letters of credit and getting over the stipulation imposed by the Ministry of Commerce has been received.

That complaints is being investigated by the DGFT, and I have instructed the Department of Customs to produce all the documents relating to those exports to the DGFT. The investigation will be completed as early as possible.

SHRI ARJUN KUMAR SENGUPTA: Sir, I rise only to point out that the Finance Minister—I don't think deliberately—is really misleading the House. The problem is not a problem of production shortage. That is a long-term problem. The problem today is the problem of supply and the Finance Minister, sitting on 180 billion dollars of foreign exchange, can't say that our country is facing a supply shortage in any product which is importable. The fact of the matter is that we have a policy of buffer stocks. We have a policy by which we can control the market supply. The buffer stocks came down substantially last year in wheat. The Ministry knew about it. In all other areas, daal and other pulses, the NAFED has given, again and again, warning. No attempt was made to increase imports and flood the market. The only reason for that is that the Government agreed with the rise in prices and those traders who cornered the market had made the money out of the whole thing. The point is that it is gross mismanagement of the Government policy that you did not follow the right kind of import policy. It does not affect the procurement for a long term. I am talking about the short-term policy. This policy does not have to affect the prices that the actual producers are getting. It is a buffer stock prices. Buffer stock prices may have to be subsidised. Mr. Chidambaram has to face the problem. The subsidy may have to be increased when there is a temporary shortage. This problem is a temporary problem. The problem cannot be confused by saying that it is a long-term supply problem, a long-term production problem.

SHRI P. CHIDAMBARAM: Since I have great respect for Shri Arjun Sengupta, I should not take amiss his charge that I am misleading the House. Whatever can be imported, the Government has imported. We imported 55 lakh tonnes of wheat, last year, in the face of criticism from one section of the polity and one section of the people that we should not import wheat. Nevertheless, we imported 55 lakh tonnes of wheat last year in order to make up for the shortage in procurement. Against the target of 160 lakh tonnes of wheat, we eventually procured only 92 lakh tonnes. How did that happen? Who is responsible? All that are questions which do not arise from this question and obviously I do not wish to answer that. Now take pulses. Pulses is on OGL. Anyone can import pulses. The State agencies import pulses; private traders import pulses. But where are the pulses to import from? The pulses that India consumes are grown in much smaller quantities in Myanmar, in Turkey, and some chickpea is

available in Canada. The External Affairs Minister is not here. He visited Myanmar. He asked the Myanmar Government, "Can you spare us pulses?" They said,"We cannot spare you any pulses this year." Even if we want to import pulses, they are not available. Pulses that we consume are not produced in most countries of the world. Even the countries that produce pulses, are only able to make available small quantities. That is why I said in my Budget Speech, a country as large as India, a country with a large population like India, must be nearly self-sufficient in all these matters.

SHRIMATI BRINDA KARAT: Did you allow export of pulses?

SHRI P. CHIDAMBARAM: I have just answered that. We did not allow export of pulses. The Ministry of Commerce has banned export of pusles. There is an allegation, as I said a little while earlier, that three people might have violated it. That is being inquired into by the DGFT. While I certainly endorse what my distinguished friend, Dr. Arjun Sengupta says, wheat is on OGL, pulses is on OGL, edible oil is on OGL, we have no hesitation to import whatever can be imported. But some items are simply not available.

SHRI ARJUN KUMAR SENGUPTA: Sir, the fact of the matter is, this kind of a shortage has to be solved by importing at a price which may have to be subsidised. This is the most important point. You did not import wheat or pulse, when prices were lower. *(Interruptions).* It is available now. Even pulse is available at a higher price. I am afraid, I have the numbers. I can tell you where it is available. It is at a higher price. When wheat was available in January and when the price was low, the Government did not import it.

MR. CHAIRMAN: Mr. Sengupta you send the information to the hon. Minister.

श्री बनवारी लाल कंछल: मान्यवर सभापति जी, मैं वित्त मंत्री जी को धन्यवाद देना चाहता हूं कि इन्होंने मंहगाई कम करने के लिए बजट में गेहूं और चावल पर वायदा व्यापार समाप्त कर दिया है। महोदय, जिस दिन इन्होंने इसे समाप्त किया उसी दिन चावल पर 25 रुपए क्विंटल के दाम कम हो गए और एक हफ्ते में 50 रुपए क्विंटल के दाम कम हो गए। अब जब यह चीज सामने आ गयी है कि वायदा समाप्त करने से मंहगाई कम हो सकती है तो मैं वित्त मंत्री जी से जानना चाहता हूं कि आप अन्य चीजों पर भी वायदा व्यापार क्यों नहीं समाप्त कर देते?

SHRI P. CHIDAMBARAM: Sir, forward trading in wheat and rice was

restricted by the Forward Markets Commission late in the evening of 27th February. Therefore, the Government felt that it was our duty to report to Parliament about that action taken late in the evening of 27th February. Therefore, I added a paragraph to my Budget Speech reporting that action. You will recall that, earlier, about a month ago, the Forward Markets Commission had also placed restrictions on forward trading in *tur* and *urad*. There are two views on forward trading. I am not an expert to say which view is right. One view is that forward trading helps to discover the prices. The other view is, forward trading especially in thin commodities leads to price manipulation. Therefore, the Government, the Ministry of Agriculture, has decided to appoint an Expert Commission under Prof. Abhijit Sen. That Committee has been requested to submit its report in two months. The Government will take a view after receiving the report of the Abhijit Sen Committee on what further steps should be taken on forward trading. In the meanwhile. ...*(Interruptions)*.

SHRIMATI BRINDA KARAT: The Standing Committee unanimously gave a report to ban forward trading. Then, what is the new Committee formed for ?

श्री बनवारी लाल कंछल: स्थायी समिति ने रिपोर्ट दी है। ...(व्यवधान)...

SHRI P. CHIDAMBARAM: Sir, in the meanwhile, there is a Bill before Parliament on amending the Forward Markets Commission Act. That Bill, when passed, will strengthen the Regulator. I would submit that we should await the Report of the Export Committee to take a final view on what should be done about forward trading.

MR. CHAIRMAN: Sir Ravi Shankar Prasad. ...*(Interruptions)*.

श्री बनवारी लाल कंछल: मान्यवर, मैं वित्त मंत्री जी से जानना चाहता हूं कि इस दुविधा को समाप्त करने के लिए आप क्या करने जा रहे हैं? जब एक रिजल्ट आ गया है कि चावल का दाम 50 रुपए प्रति क्विंटल कम हो गया, दालों का दाम थोड़ा-सा कम हुआ ...(व्यवधान)...

श्री सभापति: वही बात तो उन्होंने कही है ...(व्यवधान)...

श्री बनवारी लाल कंछल: गेहूं का दाम भी थोड़ा-सा कम हुआ, तो वायदा व्यापार समाप्त करने की दिशा में क्या आप कदम उठाएंगे कि नहीं उठाएंगे?

श्री सभापति: जवाब दीजिए। ...(व्यवधान)...

श्री बनवारी लाल कंछल: और एक्सपर्ट कमेटी ने कहा है कि वायदा व्यापार समाप्त किया जाना चाहिए, तो आप उसे क्यों नहीं समाप्त कर रहे हैं?

श्री वृंदा कारत: सर, जब स्टैंडिंग कमेटी ने कह दिया है, तो दूसरी कमेटी का क्या अर्थ है? ...(व्यवधान)...

SHRI P. CHIDAMBARAM: I tried to answer this. The Standing Committee has indeed reported that forward trading in most commodities, or, may be in all commodities, should be banned. That is the Report of the Standing Committee. Now that the Ministry of Agriculture has considered the Standing Committee Report, I think, further action on the Standing Committee's Report must come from the Ministry of Agriculture. In the meanwhile, I am merely reporting what the Forward Markets Commission, which falls under the Ministry of Agriculture, has done. I am also reporting to the House the further steps taken by the Ministry of Agriculture. As far as the Government is concerned, as I understand the discussions in the Government, the decision is to await the Report of the Abhijit Sen Committee before taking a final view.

SHRI RAVI SHANKAR PRASAD: Sir, may I know from the hon. Finance Minister, while we are witnessing a curious dilemma where the growth rate is rising phenomenally, at 8 per cent plus, and the prices are rising, whether this growth rate is without equity or it is fictional? That is my first query. Secondly, in part (b) of the reply, the hon. Minister has talked about management of food articles. He has mentioned that about 55 lakh tonnes of wheat was imported in the Government sector. I would just like to inform him that 7 lakh tonnes of wheat has also been imported in the private sector. Still the wheat prices have not been able to stabilise. I would just like to remind him that in 2001-02, there was no rise in prices. My query to the hon. Finance Minister is this. Is it not a case that the price rise is also on account of mismanagement of various things in this whole situation and also the lack of coordination between the Ministry of Finance, the Ministry of Commerce and the Ministry of Agriculture? These are my two queries. I would like to have an honest answer from the hon. Minister.

SHRI P. CHIDAMBARAM: Sir, I would stoutly deny and reject these accusations made by my learned friend. Let us go back to 2000-01. As I just said, in 2000-01, all indices were much higher. Would you then say? *(Interruptions)*

SHRI RAVI SHANKAR PRASAD: The prices were stable.

SHRI P. CHIDAMBARAM: That is not correct, my dear friend. I have just given you the figures. In 2000-01, for 48 out of 52 weeks, the WPI was over six per cent; for 22 of those weeks, it was over 7 per cent; for 12 of those weeks, it was over 8 per cent...*(Interruptions)*.

श्री रवि शंकर प्रसाद: चिदम्बरम साहब, गेहूं और चीनी सस्ते थे। Let us acknowledge it.

SHRI P. CHIDAMBARAM: Therefore, I reject this charge of mismanagement. There are both global factors and domestic factors which are impacting prices. The global factors are the crude oil prices in the early part of 2006, and then in the latter part, it was the commodity prices. The domestic factors are poor procurement of wheat and supply shortages emerging firstly in sugar and then in pulses. We have taken a number of steps, and I am confident that the WPI and other indices will moderate. As they did moderate in 2002-03, as they did moderate in 2005-06, it will moderate again as the new supplies come in, and the monetary steps take effect.

Development of potential tourism spots in Jharkhand

*105. SHRI KAMALAKHTAR: Will the Minister of TOURISM be pleased to state:

(a) whether Government have identified potential tourism spots in Jharkhand;

(b) if so, whether Government have any plans to develop potential tourism areas; and

(c) if so, what are the identified areas and proposed plans to develop tourist places?

THE MINISTER OF URBAN DEVELOPMENT (SHRI S. JAIPAL REDDY): (a) to (c) A Statement is laid on the Table of the House.

Statement

(a) to (c) Development and promotion of tourism is undertaken primarily by the State Governments/UT Administrations. The Ministry of Tourism,